NOTICE OF INTENT TO DRILL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Must be approved by KCC five (5) days prior to commencing well

January 19, 2005

OPERATOR: Licensee

Name: Ceasar Chemicals, LLC
Address: 9520 N May Avenue, Suite 300
City/State/Zip: Oklahoma City, OK 73120
Contact Person: Richard Maiken
Phone: 405-258-1054 FAX

CONTRACTOR: Licensee, will be licensed by KCC
Name: Will Advise on ACC

Spud No.: NE NW Sec. 20 Twp. 26 R. 17 E, 1 W
Info: (Note: Locate well on the Strive Plot on referenced KCC map)

Is SECTION: Regular Irregular

County: Cheyenne

Lease Name: Unbargle, Keith M.

Field Name: Cherokee Basin CMB

Is this a Producing / Spaced Field?

Target Information: Arbuckle Dolomites

Nearest Leasor unit boundary: 660

Ground Surface Elevation: 1045

Yard well within one-quarter mile: No

Public water supply well within one mile: No

Depth in bottom of fresh water: 200

Surface Plot by Alternative: 2

Length of Surf. Pipe Planned to lay at: 25

Length of Combination Pipe required: No

Projected Total Depth: 1500

Formation at Total Depth: Arbuckle Dolomites

Water source for Drilling Operations:

Well Farm Pond Other

DWR Permit #: Yes

Will Come to be Taken: Yes

If Yes, proposed Source:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual stopping of the well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office prior to shooting of well.
2. A copy of the approved notice of intent to drill shall be posted on the well drilling rig.
3. The minimum amount of surface pipe as specified below shall be set by cementing the top; in all cases surface pipe shall be continuous through all unconsolidated materials plus a minimum of 20 feet into the in-situ drilling formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or Production casing is cemented in;
6. If an ALTERNATE H COMPLETION, production pipe shall be cemented between any usable water to surface within 10 days of spud date.

Or pursuant to Appendix "B" Eastern Kansas surface casing per #133,881C, which applies to the KCC District 3 area, alternate 8 casing must be completed within 30 days of the spud date or the well will be plugged. In all cases, NOTIFY district office prior to any cementing.

I hereby certify that the statements made herein are true and correct to my knowledge and belief.

Date: 1/19/05
Signature of Operator or Agent:

For KCC to OWN

API #: 133-2,628,00:00

Conductor pipe required: None

Minimum surface pipe required: 20' per ft dih. %

Approved for: KCC 1/20/2005

This authorization expires: 12/2005

The authorization will not begin until 3 months after the effective date.

Agent:

Reminders to:

- File DNR P& Application form (CPD-1) with intent to drill;
- File Correlation Form ACC-1 within 30 days of final subsurface:
- File operating permit application to the KCC district office 45 days prior to commencement of operations;
- Submit piping report (CPA-4) after drilling is completed;
- Obtain written approval before de-watering or injecting salt water;
- If the permit has expired, please check the box below and return to the address below;
- Will Not Be Drilled - Permit Expired

Name of Operator or Agent:

Mail to: KCC - Conservation Division, 130 N. Market - Room 2788, Topeka, Kansas 66602

Date 1/20/05
Time: Engineering Manager

Received: KCC CORPORATION COMMISSION

JAN 2 2005
IN ALL CASES PLOT THE INTENDED WELL, ON THE PLAY BELOW

If the intended well is in a prorated or spaced field, please fully comply with this rule. If the intended well is in a prorated or spaced field complete the step below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. - 133 -
Operator: Quail-Cherokee, LLC
Lease: Umbarger, Keith M.
Well Number: 1-1
Field: Cherokee-Bajul CSBM

Number of Acres attributable to well: 40
GTR / GTR / GTR of acreage: NE / NW

Location of Well: County: Cherokee
Well from: 660
Line of Section: Sec. 1
Township: 29
Range: 17
W / E line: NE
S / N line: NW

In Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE / NW / SE / SW

NOTE: In all cases locate the spot of the proposed drilling location.

Example:

In plotting the proposed location of the well, you must show:
1. The manner in which you are using the depicted plat by identifying section line, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If prorated location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached. (CG-7 for oil wells; CG-8 for gas wells).